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Latest release

Jobs

Labour Statistics: Concepts, Sources and Methods

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Concepts and definitions

Definition of a job

The 2008 System of National Accounts (SNA) provides one definition of a job: "19.30...The agreement between an employee and the employer defines a job and each self-employed person has a job."

A job is conceptualised as a relationship between an employed person and employing enterprise, that is, between an employee and an employer or between a self-employed person (employee) and their own enterprise (employer). These jobs are often referred to in ABS statistics as 'filled jobs'.

Jobs can also exist in the absence of an employed person, referred to in ABS statistics as a 'vacant job'. Vacant jobs are positions which are available for immediate filling and for which recruitment action has been undertaken. For more information on vacant jobs, see the section: Job Vacancies.

Payment

Most jobs are performed by employed persons in return for some form of payment, whether it is in cash or in kind. As such, persons paid solely in kind, such as contributing family workers, are considered to have a job.

Not all jobs are paid, however, either in cash or in kind. People can be engaged in productive economic activity within an institutional unit for no apparent reward, in which case they are contributing to output but receiving no compensation. The 2008 SNA concept of a job includes these people as volunteer labour; however, they are excluded from the Australian System of National Accounts and also from Australian labour statistics (see the section: Institutional Units and the Economically Active Population).

Multiple jobs

A person can hold multiple jobs. For a person who is an employee of multiple employing enterprises, the SNA definition allows each agreement to be considered a separate job. The wording of the SNA is less clear in relation to self-employed persons, as it suggests that each self-employed person has only has one job. In practice, however, this is not the case. Many self-employed persons hold additional jobs, either in additional self-employment enterprises or with employing enterprises as employees. In ABS statistics, both employees and self-employed persons can have multiple jobs.

Comparing jobs and employment

Every employed person has a job, however, because they can have multiple jobs, measures of employment and measures of jobs are conceptually different. It is important to distinguish between estimates of employment and estimates of jobs as conceptually different measures of labour. Household surveys typically estimate employment, such that they provide data on the number of people in the labour force (those who have jobs), not the number of jobs in the economy.

Estimates of employment from business surveys are typically measures of jobs. The employer is generally unable to provide information about their employees' other jobs. Because ABS business surveys sample businesses and not employees, multiple job holders may be included in the sample multiple times.

Changes in the level of employment from month to month are sometimes referred to as an increase or decrease in the number of "jobs" (e.g. jobs created or lost). This is an incorrect inference, as estimates of "employment" from the LFS refer to counts of people rather than counts of jobs.

The distinction between jobs and employment is also important when considering full-time/part-time status. As full-time/part-time status relates to a person's employment (based on the total hours they work in all of their jobs), the number of full-time employed people (and changes in that number) does not equate to the number of full-time jobs in the labour market. A person in full-time employment can hold more than one job (for example, two part-time jobs for which the combined number of hours worked totals 35 hours or more per week), whereas a full-time job represents one person employed full-time.

A number of examples illustrate this:

- if an unemployed person became employed full-time (by starting one full-time job), then the full-time employment estimate from the LFS would increase by one (in a business survey, or a 'jobs' count, this would lead to an increase in the jobs estimate of one);
- if an unemployed person became employed full-time (by starting two part-time jobs with

a total of 35 hours of work or more per week), then the full-time employment estimate from the LFS would increase by one (however, in a business survey, or a 'jobs' count, this would lead to an increase in the jobs estimate of two);

- if a person who was already employed in one part-time job took on another part-time job, this would have differing impacts on the employment estimates from the LFS depending on the total number of hours worked: if the sum of hours worked in the two part-time jobs was fewer than 35 hours per week, the employment estimates from the LFS would remain unchanged, but if the sum of hours worked was 35 hours or more, the employment estimates from the LFS would show a decrease of one in part-time employment and an increase of one in full-time employment (however, in both cases this would lead to an increase of one in the jobs estimate from a business survey);
- if a person who was employed in three part-time jobs (working a total of more than 35 hours per week) resigned from these and assumed one full-time job, this would have no impact on the employment estimates from the LFS (however, this would lead to a decrease of two in the jobs estimate the number of part-time jobs would decrease by three while the number of full-time jobs would increase by one); and
- if a person employed in two part-time jobs became unemployed, the employment estimate from the LFS would decrease by one (however, this would lead to a decrease of two in the jobs estimate from a business survey).

Data sources

Australian Labour Account

The Australian Labour Account is the main ABS source of information on jobs. It includes jobs as one of its four quadrants of labour, along with persons, volume (hours), and payments, and sources data on jobs from a number of ABS household and business surveys.

The Australian Labour Account defines jobs as a set of production related tasks that can be assigned to and undertaken by a person, and for which they are usually, but not necessarily, remunerated either in money or in kind.

The Australian Labour Account includes all jobs created and maintained by institutional units resident in Australian economic territory, involving economic activity within the Australian application of the 2008 SNA production boundary. It includes both filled and vacant jobs, and distinguishes between main and secondary jobs. It classifies jobs according to the status in employment categories of the person filling the job, as well as a variety of job characteristics.

Weekly Payroll Jobs

Weekly Payroll Jobs is compiled using Single Touch Payroll (STP) data from the Australia

Taxation Office. Weekly Payroll Jobs provides a near real-time index of the change in the number of jobs.

Linked Employer-Employee Dataset

The Linked Employer-Employee Dataset (LEED) is compiled from administrative data using a census of tax records. Data on jobs from the LEED is published in Jobs in Australia (JIA). JIA provides statistics on jobs and job holders (employed persons) who are employees (including owner managers of incorporated enterprises – OMIEs) and owner managers of unincorporated enterprises (OMUEs).

In the LEED, a job is identified as a person's work or business activity that creates an income, reported in a Pay as You Go payment summary (PAYG) or an Individual Tax Return (ITR) submitted to the Australian Taxation Office (ATO). Data on most employee jobs is sourced from the payment summary data, while the ITR is used to inform on jobs outside of the PAYG system, including those held by OMUEs.

Measures of jobs from this source differ from other estimates in several key ways. The reference period covers a 12 month period. As a result, a person may have several jobs through that year, either concurrently or consecutively with one or multiple employers and thus statistics differ from point-in-time estimates of filled jobs. Similarly, OMUE jobs are identified in the ITR as an aggregate for a whole reference year. While a person may own and manage more than one enterprise, only one self-employment job can be identified (although an OMUE can also hold other jobs as an employee).

Employee Earnings and Hours

The two-yearly Survey of Employee Earnings and Hours business survey provides estimates of employee jobs.

Public Sector Employment and Earnings

Public Sector Employment and Earnings is complied using Single Touch Payroll (STP) data from the Australian Taxation Office. This collection publishes public sector estimates annually.

Other business surveys

Estimates of employee jobs are available from several business surveys. For more information on the specific data content and methodology of these surveys, see the relevant sections:

- Economic Activity Survey; and
- Quarterly Business Indicators Survey.